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FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC PRIORITY 9883
INFO RUCNIRA/IRAN COLLECTIVE
RUEHJM/AMCONSUL JERUSALEM 6181
RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC
RHEHNSC/NSC WASHDC
RHMFISS/HQ USEUCOM VAIHINGEN GE

S E C R E T SECTION 01 OF 03 TEL AVIV 000740

SIPDIS

CODEL
SIPDIS

E.O. 12958: DECL: 03/05/2017

TAGS: [PREL](#) [PINR](#) [PTER](#) [KPAL](#) [KWBG](#) [MASS](#) [IR](#) [SY](#) [LE](#) [IS](#)

SUBJECT: CODEL KYL AND HARMAN'S LUNCH WITH KNESSET MEMBERS
FOCUSES ON LEADERSHIP CRISIS IN ISRAEL, IRAN AND IRAQ

REF: A. TEL AVIV 542

[1](#)B. TEL AVIV 559

[1](#)C. TEL AVIV 739

Classified By: Marc J. Sievers, Political Counselor.
Reasons: 1.4 (b)(d).

SUMMARY

[1](#)1. (S) 1. (C) During the visit of CODELs Kyl and Harman to Israel, February 18-20, the two CODELs -- led by Senator Jon Kyl (R-AZ) and Representative Jane Harman (D-CA) -- held a series of meetings with GOI officials and Knesset members according to a program drawn up by Knesset Member Yuval Steinitz, the Israeli Co-Chair of the U.S.-Israel Interparliamentary Commission (IPC). Reftels report on their meetings with Prime Minister Olmert, Foreign Minister Livni, and opposition leader Benjamin Netanyahu. This cable reports on their February 19 working lunch with members of the Knesset's Foreign Affairs and Defense Committee. The Israel side during the lunch was led by Foreign Affairs and Defense Committee Chairman Tzachi Hanegbi and included MKs Matan Vilnai, Yuval Steinitz, Danny Yatom, Effie Eitam, Ami Ayalon, and Amira Dotan. Senator Kyl and Representative Harman were accompanied by Representatives Gabrielle Giffords (D-AZ) and Steve Pearce (R-NM), Todd Stiefler from Senator Kyl's office, two military escorts, POLCOUNS and poloff.

[1](#)2. (S) Hanegbi and his counterparts focused mainly on what they termed a crisis of leadership at the highest ranks of Israel's political and military leadership. They pointed to this as the reason for unclear goals during Israel-Hizballah conflict over the summer, and the breakdown in the IDF's performance throughout most of the fighting. Hanegbi and his colleagues assessed that Hizballah's reputation had been weakened, but that it had recovered its capabilities due to poor enforcement of UNSCR 1701. Effie Eitam said that the U.S. was wasting its time trying to create a democracy in Iraq, and warned that the Palestinian leaders have chosen to serve as radical Islam's "spearhead" in the region. Danny Yatom expressed his view that Israel should begin talking with Syria right away, lest it lose the opportunity after Assad is gone. Representative Harman (D-CA) and Hanegbi both urged more exchange of information in both directions on Iran before any military action is taken against Iran's nuclear weapons infrastructure. END SUMMARY.

[1](#)3. (C) Foreign Affairs and Defense Committee Chairman Tzachi Hanegbi (Kadima) opened discussion during the working lunch by stressing the importance to Israel of the U.S.-Israel

Interparliamentary Commission (IPC). Senator Kyl (R-AZ) invited the Israeli side to the U.S. in September, calendars permitting, and to make members of the Senate, House and Administration available for meetings during the Israeli delegation's visit. Senator Kyl (R-AZ) noted that the CODELS would be visiting an Arrow Missile battery on February 20, and underscored Congress' support for the Arrow Missile program. Representative Harman (D-CA) said that the next challenge for Israel is to hit medium-ranged missiles with systems like the Tactical High Energy Laser (THEL).

CRISIS OF LEADERSHIP HURT IDF IN CONFLICT WITH HIZBALLAH

14. (C) Danny Yatom (Labor) turned discussion to what he described as a crisis of leadership in Israel, noting that the Israeli public no longer trusts generals serving as politicians. Hanegbi observed that the current Knesset session was due to end in March, and characterized it as unproductive. Hanegbi said that the Foreign Affairs and Defense Committee "supervised" the Israel-Hizballah conflict over the summer, and was anxiously awaiting an interim report on Israel's conduct during the conflict from the Winograd Commission.

15. (C) Effie Eitam (National Union) explained that the committee had studied the results of the war in Lebanon. After six months of intense inquiry in many areas, the Committee has a better informed sense of the government and IDF's strengths and weaknesses. Eitam said that the real failure was at the highest level of military management: "The soldiers are good, but the generals failed. Management

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was not good." He said Israel now understands better the threat posed by short and medium-range missiles, and will use passive and active systems to defend against them, and be ready within a year. The IDF is intensifying its training, and commanders have been replaced. Eitam stressed, "The Knesset and the nation are determined now. Israel will be able to defend itself, and will not be a millstone around the neck of U.S. forces. We have the same enemies, and will be ready this time around."

16. (C) Matan Vilnai (Labor) said that the IDF performed badly, but will perform better -- with the right leadership. Vilnai expressed his view that the leadership crisis included Israel's political leadership, and he singled out PM Olmert, DefMin Peretz, and the cabinet.

17. (C) Responding to a question from Representative Harman (D-CA), Yuval Steinitz (Likud) said that part of Israel's problem in confronting Hizballah was that IDF doctrine had been changed to focus on air superiority and rely on technology in battle. The view at the top of the IDF was that you could eliminate Hizballah without a ground operation. Militarily, Israel won, but it missed an opportunity to eliminate Hizballah's presence in south Lebanon for years. The IDF failed to cut off Iran's logistical arm, and also failed to defend Israel's civilian population. Steinitz added that Israel also learned that short and medium-range rocket play an increasingly important role, and Israel needs to be able to intercept these as well as enemy aircraft. Steinitz suggested that the U.S. and Israel could cooperate on finding a technological solution to the short and medium-range rocket threat.

HIZBALLAH'S REPUTATION HAS BEEN HURT, BUT IT HAS RE-ARMED

18. (C) Responding to a question from Senator Kyl (R-AZ), Hanegbi said that Hizballah's power is still being analyzed. To date, however, the main impression is that Hizballah is most concerned about its legitimacy in Lebanon, based on it

serving as Lebanon's "shield." In this sense, Hanegbi said, Hizballah was badly hurt by Israel. It lost its legitimacy among Shi'ites. The government led by PM Siniora is still strong, Hanegbi added: "He is courageous, and the coalition is stable." Hanegbi said that UNSCR 1701 is hurting Hizballah, but cautioned that Hizballah is being resupplied by Iran through Syria, and has restored its military power through smuggling. "These are clear violations of Resolution 1701," he stressed, adding, "There is no embargo on the Syrian border. This is a failure of the Siniora government and the international community. Siniora must understand that it is his test to pass. Hizballah is fragile. UNIFIL must be made more assertive."

EITAM: DEMOCRACY IN IRAQ, LAND FOR PEACE WILL FAIL

19. (C) Eitam characterized as another problem the sense that the overall goal of the conflict with Hizballah was not clear. Without a clear overall goal, it was impossible to elaborate operational goals and objectives. Because the overall goal set by political leaders was not clear, the IDF lost confidence and performed accordingly. "Only when the goal became a clear one -- to stop the rocket fire against Israel -- did the IDF perform well," he added. Turning to the other conflicts in the region, Eitam warned that the U.S. will have to confront this same problem in Iraq, where the overall goal of a democratic Iraq remains incoherent: "Do not waste your time trying to build a democracy in Iraq. It will not work. And do not waste your time trying to solve the Israel-Palestinian conflict. You will not solve anything. It is not about territory anymore. Haniyeh does not want to be responsible for the kinds of things a leader should be responsible for -- like traffic and schools. Haniyeh wants his people to be a spearhead for the Islamist movement. The more you appease, the more you fail and weaken Israel. Land for peace does not work. Giving the Palestinians all the land will not work. As for a nuclear Iran, it is not an option. If sanctions fail, Israel will take action."

YATOM: ISRAEL SHOULD TALK TO SYRIA....NOW

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110. (C) Returning the discussion to Hizballah and Lebanon, Danny Yatom noted that Israel had fought in Lebanon many times, and had succeeded in the past because Israel had good leaders at those times. He reiterated that the main problem for Israel was its highest ranking political and military leaders. Turning the discussion to Syria, Yatom said that he believes Israel should engage Syria in talks. He noted that he had participated in all the talks Israel held with Syria from when Rabin was Prime Minister through Barak's Prime Ministership. He warned, "If we do not resume talks -- especially when Assad asks for them -- then we will hear increasingly hostile rhetoric. Now in Israel, you can hear people saying that there will be war with Syria. Assad is hearing this and is responding with threats. It is in Israel's interest to resume talks with Syria."

111. (C) Representative Pearce (R-NM) said that the greatest weapon of mass destruction that could be exported from the Middle East is instability. He observed that the terrorists know that they cannot beat the U.S. militarily, and thus are intent on destabilizing the U.S. economically. Senator Kyl (R-AZ) added that the Bush administration is not content with Iran acquiring nuclear weapons, but -- due to the war in Iraq -- has been less robust than it would want to be in confronting Iran. He reminded the Israelis that the U.S. has other things to worry about as well, like its troop presence in Asia: "We will rely on diplomacy, sanctions, and public diplomacy. Iraq is the most complex situation you can

imagine. While we have discussed democracy in Iraq, today our goal is to get Iraq as stable and secure as possible so that the Iraqis can handle their own threats, and we can leave. That is the clear purpose now." Eitam replied, "We are worried that you are so focused on Iraq, that we will have to deal with Iran on our own," to which Kyl answered, "If the U.S. loses in Iraq, the Iran threat will be even harder to deal with."

HARMAN, HANEGBI: MORE INFO EXCHANGE IS NEEDED

¶12. (S) Representative Harman (D-CA) lamented the intelligence on WMD in Iraq that the U.S. had before the war, and praised Israel for the intelligence it has been collecting on Iran. She said that the U.S. needed more intelligence on North Korea and Iran.

¶13. (S) Hanegbi said, speaking for all present, that nobody wants an invasion of Iran, and that the best anyone could hope for would be to set Iran's nuclear capabilities back for a few years. He observed that Israel needs intelligence to find targets. He added, "We will not allow Iran to go nuclear. We have the means to prevent it."

¶14. (U) Neither CODEL Kyl nor CODEL Harman had an opportunity to review this cable.

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